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PASS USTR COMMERCE FOR BIS/OAC STATE FOR NEA, EB, AND L

E.O. 12958: N/A

TAGS: KBCT ABLD PHUM ETTC MO

SUBJECT: IMPLEMENTATION OF BOYCOTT STATUTES - MOROCCO

REF: SECSTATE 66895

(SBU) While in response to questions about the Arab League Boycott (ALB), Moroccan government (GOM) contacts tell emboffs officially that as a member of the Arab League, Morocco conforms and adheres to all League decisions, in practice informal Moroccan-Israeli commercial ties exist and the GOM does not enforce the boycott. In the GOM's official trade figures, Israeli imports and exports are not listed. However, the Moroccan press has reported that according to the Israel Export and International Cooperation Institute, Morocco is Israel's fourth largest Arab export market -Israeli exports were reportedly USD 11.2 million in 2005. When publicly pressed on the ALB issue, ministers simply state that Morocco does not have official relations with Israel. Business contacts say "everybody knows there is trade and cooperation." In the mid-1990s (peaking in about 1996), there were open contacts between Israeli and Moroccan business groups and press reports of discussions on investments and deepening commercial ties. There is no GOM office to monitor the ALB. Emboffs are unaware of any laws on the books regarding boycotts. The GOM does not enforce the ALB (or any other boycott), nor does it require U.S. companies operating in Morocco to adhere to it. Post is unaware of any legal or regulatory requirement for businesses to comply with boycotts. Jewish Israeli tourists (including pilgrims) visit Morocco regularly without incident. Businessmen say that Israeli products enter Morocco via third countries. In sum, in practice, the boycott does not exist.

Riley